

2005 Annual Report

PRIVATE SECTOR PRACTICES

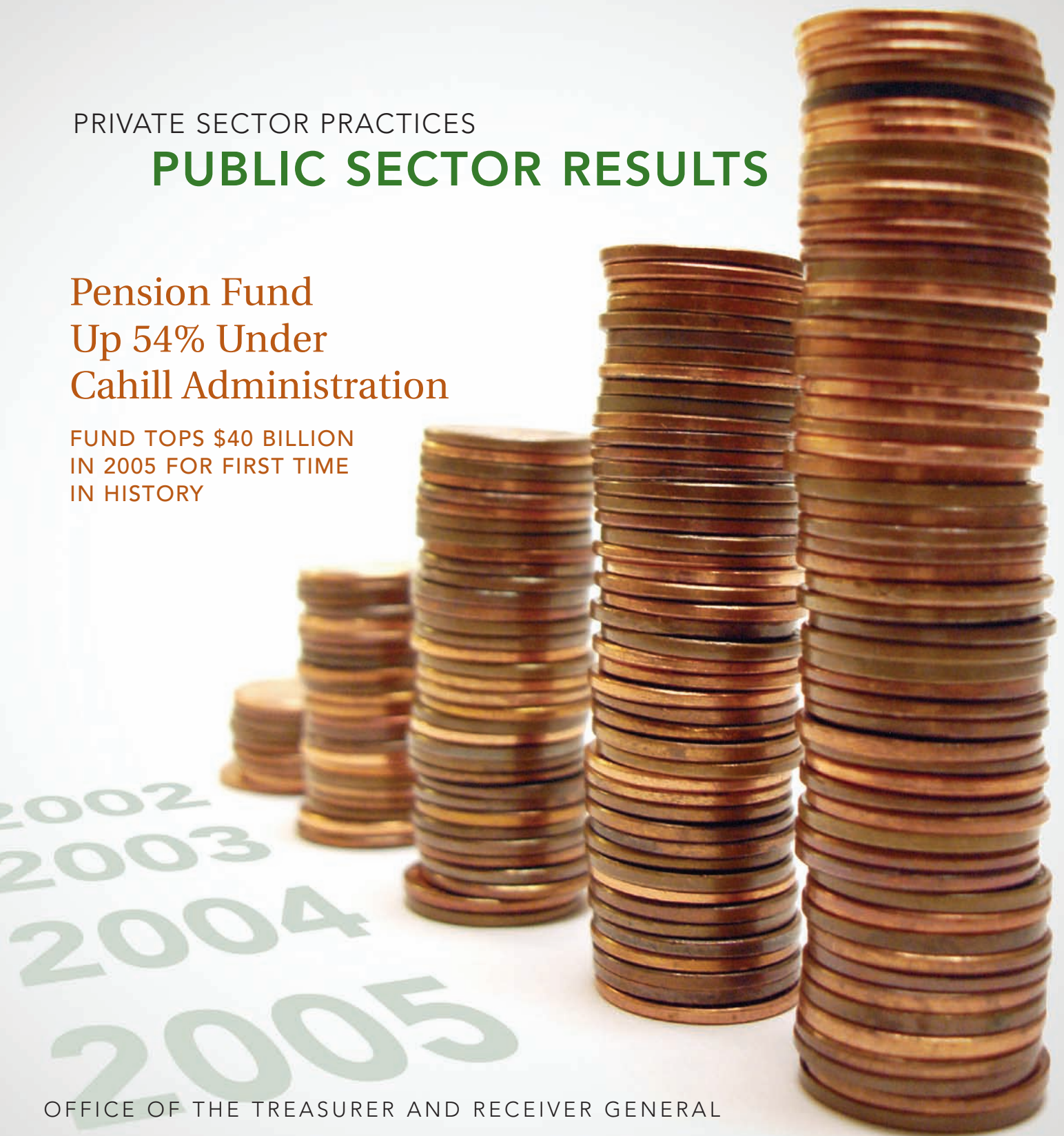
PUBLIC SECTOR RESULTS

Pension Fund
Up 54% Under
Cahill Administration

FUND TOPS \$40 BILLION
IN 2005 FOR FIRST TIME
IN HISTORY

OFFICE OF THE TREASURER AND RECEIVER GENERAL

Timothy P. Cahill



Treasury Accomplishments for 2005

PRIM Board

- Achieved the highest total in the history of the PRIT Fund at \$40.2 billion, marking an increase of 12.7 percent over the calendar year
- Invested \$90 million in Economically Targeted Investments in conjunction with the Job Growth Task Force, bringing PRIM's total ETI allocation to \$135 million

School Building Authority

- Accelerated payments to completed wait list projects, reducing the funding time to just two years and saving \$254 million in interest costs
- Distributed \$1.2 billion for school construction projects in Fiscal Year 2005 and \$1.6 billion total

Job Growth Task Force

- Collaborated with Treasury banking partners to commit \$450 million to job creation and affordable housing initiatives
- Current programs helped to create 641 jobs and have a projected potential to create 4,143 jobs in Massachusetts

Lottery

- Returned \$936 million in local aid to the Commonwealth – the largest amount in Lottery history
- Sponsored the Boston Red Sox World Series Trophy Tour, which traveled to each of the Commonwealth's 351 cities and towns

Alcoholic Beverages Control Commission

- Collected \$3.6 million in license fines and fees for the Commonwealth's General Fund
- Continued conducting programs and operations to prevent the sale and consumption of alcoholic beverages to minors and intoxicated individuals

Abandoned Property

- Collected \$214 million in unclaimed property, marking the third consecutive year with collections of over \$200 million
- Conducted an online auction in partnership with eBay that returned \$140,000 to the Commonwealth and received a 100 percent approval rating from eBay users

Cash Management

- Deposited \$300 million in banks throughout Massachusetts through four online BidMass auctions
- Returned over \$4.7 million in uncashed checks to rightful owners through the Unpaid Check Fund

Debt Management

- Refunded over \$1.3 billion in bonds, generating \$161.4 million in cash flow debt service savings
- Introduced and issued Muni-CPI bonds, which will save the Commonwealth approximately \$3 million

Water Pollution Abatement Trust

- Funded 97 loans to governmental and local entities through \$304.1 million in bonds
- Saved the Commonwealth \$3.9 million in debt service costs and municipalities \$17.1 million in contract assistance costs

Deferred Compensation Plan

- Improved investment options by changing two funds and adding an additional investment option
- Selected Cliffwater LLC as the Plan's new investment consultant

Retirement Board

- Continued benefit verification program, which has recovered over \$400,000 in excess benefits since its implementation
- Issued almost \$1.1 billion in net benefit payments and annuity payments to retirees

Financial Education

- Held five regional Money Conferences throughout the Commonwealth that focused on money management, retirement and investment strategies
- Held 63 Savings Makes "Cents" events and presented \$1,950 in U.S. Savings Bonds to winners of the program's 2005 statewide essay contest



OFFICE OF THE TREASURER AND RECEIVER GENERAL

Timothy P. Cahill

IT IS MY PLEASURE TO PRESENT TO YOU THE 2005 ANNUAL REPORT FOR THE OFFICE OF THE STATE TREASURER AND RECEIVER GENERAL.

2005 WAS A YEAR OF SIGNIFICANT ACCOMPLISHMENTS FOR THE TREASURY AND I AM PROUD OF OUR MANY SUCCESSES. THROUGH OUR WORK WITH THE JOB GROWTH TASK FORCE, THE PRIT FUND, THE STATE LOTTERY, MONEY CONFERENCES FOR WOMEN, AND THE MASSACHUSETTS SCHOOL BUILDING AUTHORITY, MY STAFF AND I WILL CONTINUE TO FOCUS ON STRENGTHENING THE COMMONWEALTH'S FISCAL HEALTH.

I LOOK FORWARD TO CONTINUING TO SERVE THE RESIDENTS OF MASSACHUSETTS IN THE UPCOMING YEAR. MY BEST WISHES TO YOU AND ALL CITIZENS OF THE COMMONWEALTH FOR A PROSPEROUS 2006.

SINCERELY,

Timothy P. Cahill **State Treasurer & Receiver General**

Timothy P. Cahill was elected as State Treasurer and Receiver General in November 2002 and was sworn into office on January 15, 2003.

Prior to his election victory, Treasurer Cahill served as the Norfolk County Treasurer from 1997 to 2002. He also served as a Quincy City Councilor from 1987 until 2003.

An alumnus of Boston University, Treasurer Cahill received his Bachelors degree in Political Science in 1981. Prior to his career in public service, Treasurer Cahill was a successful small business owner and the author of a book about local businessmen.

A resident of Quincy, Treasurer Cahill and his wife, Tina, have four daughters: Makena, Nicole, Devin, and Kendra.

PRIM BOARD

Summary

THE PENSION RESERVES INVESTMENT TRUST FUND is a pooled investment trust established to invest the assets of the Massachusetts State Teachers' and Employees' Retirement Systems, as well as the assets of independent retirement systems that choose to invest. The Pension Reserves Investment Management Board seeks to maximize the return on investments within acceptable levels of risk by broadly diversifying its investment portfolio and providing access to high-quality investment management firms.

2005 ACCOMPLISHMENTS AND INITIATIVES:

Record-setting Returns

- Achieved the highest total in the history of the PRIT Fund at \$40.2 billion. The Fund was up \$4.2 billion in 2005 net of regular withdrawals, representing an increase of \$14 billion from 2003. See "PRIT Fund Performance in 2005" for complete details on the Fund's accomplishments.

Diversification

- Performance was driven by strong returns in Private Equity (up 40.4 percent), Emerging Markets Equity (up 39.5 percent), Timber (up 26.5 percent) and Real Estate (up 23 percent).
- Diversified by adding Global Active Inflation-Linked bonds and a commodities overlay in 2005. The fund will also add "enhanced" indexing and explore new ways to protect the assets against rising inflation.

Economically Targeted Investments

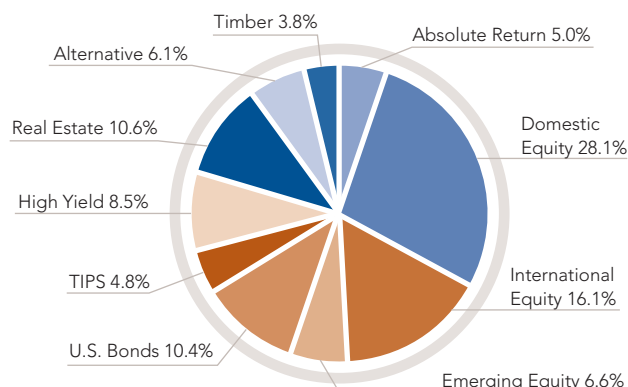
- Continued the Economically Targeted Investment (ETI) initiative and identified six opportunities that met the criteria for investment. These mandates were funded in the areas of fixed income, real estate and private equity.
- In conjunction with the Job Growth Task Force, invested \$90 million in ETIs in 2005. PRIM's total ETI portfolio is \$135 million, including a \$75 million investment in Cambridge-

based Access Capital and a \$40 million investment in four additional Massachusetts-based managers.

Broad Participation

- As of January 2006, a record 67 retirement systems had invested all or a portion of their assets with PRIM, an increase in participation of over 60 percent since 2003.

CURRENT PRIT FUND ASSET ALLOCATION



Michael Travaglini, Esq.
Executive Director, Pension Reserves Investment Management Board

Michael Travaglini was appointed as the PRIM Board's Executive Director in March 2004. Previously,

Michael served the Commonwealth as First Deputy Treasurer from 1999 to 2003. He was also Chief of Staff of the Boston Redevelopment Authority and Executive Director of the Boston Retirement System. Michael has also worked in the Boston law firm Goodwin, Procter & Hoar.

Michael is a graduate of Harvard University and Georgetown University Law School. He lives in Winchester with his wife, Brenda and their three children.

PRIM Board Trustees

Timothy P. Cahill
Chair, Ex Officio Member

Alexander E. Aikens, III
Appointee of the State Treasurer

C. LaRoy Brantley
Appointee of the Governor

Robert Brousseau
Elected Representative, State Teachers Retirement System

Paul Cesan
Appointee of the Governor

Theresa McGoldrick, Esq.
State Board of Retirement Member

George F. McSherry
Teachers' Retirement Board Member

Peter Schwarzenbach
Designee of the Governor, Ex Officio Member

Ralph White
Elected Representative, State Employees' Retirement System

PRIT Fund Performance in 2005

2005 MARKED ANOTHER RECORD-BREAKING YEAR for the Massachusetts Pension Reserve Investment Trust Fund (PRIT Fund). As of December 31, 2005, the PRIT Fund had risen to approximately \$40.2 billion in net assets, marking an increase of 12.7 percent over the calendar year, and resulting in a historic all-time high. According to the Trust Universe Comparison Service (TUCS) Master Trust Report, the PRIT Fund's performance in 2005 ranked in the top 5th percentile in the nation among pension funds of \$1 billion or greater.

Since Treasurer Cahill assumed office, the PRIT Fund has grown by \$14 billion dollars, for a total increase of 54 percent. Beginning in 2003, Treasury and PRIM staff worked with consultants to diversify the existing asset allocation, with a greater emphasis on Hedge Funds, Real Estate, and International Equity.

"PRIM's assets have reached a record high and have exceeded the benchmark returns mandated by the legislature," said Treasurer Cahill. "This is great news for Massachusetts public employees."

TOTAL PRIT FUND ASSETS
(in billions of dollars)



The benefits of this asset allocation are highlighted by the fact that the Fund also ranked in the upper 5th percentile for its performance over the past three years.

Strong returns in Private Equity, Emerging Markets Equity, Timber, and Real Estate augmented the success of the Fund.

Massachusetts residents who are not public employees have also benefited from the Economically Targeted Investments (ETI) initiative launched in 2005. In an effort to achieve a "double bottom-line," Massachusetts-based firms have been included in the Fund and \$75 million dollars has been earmarked for mortgages in Massachusetts.

"Diversification has enabled the PRIT Fund to stay well ahead of the national average," said Treasurer Cahill. "I look forward to continuing this positive trend in 2006 so Massachusetts public employees can enjoy a fiscally sound future."

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

THE MASSACHUSETTS SCHOOL BUILDING AUTHORITY, through the leadership of Treasurer Cahill, was established by the Legislature in July 2004. The MSBA is an independent public authority chaired by Treasurer Cahill and created to achieve the effective planning, management and financial sustainability of a new school building assistance program.

Massachusetts School Building Authority

Summary

2005 ACCOMPLISHMENTS AND INITIATIVES:

Accelerated Payments

- Inherited a wait list of 428 projects and was scheduled to fund all eligible projects in 3½ years. The MSBA will now be able to achieve this task in only two years, resulting in \$254 million in interest cost savings.
- Communities scheduled to receive funding in 2007 and 2008 may now be eligible for payment in 2006. Over \$1.6 billion has been paid to cities, towns and regional school districts for wait listed school construction projects.

Biggest Bond Deal in Massachusetts History

- Issued \$2.5 billion in special obligation bonds in July 2005 to help pay for school construction projects wait listed under the former program. The bonds will be backed by one penny of the state's five-cent sales tax, which will be phased in over several years.
- In addition to paying off a significant portion of the state's total liability for construction projects, the \$2.5 billion will enable communities with projects on the wait list to carry less debt, and will save the state money in interest and borrowing costs.

Audit

- Inherited a backlog of 803 audits from the Department of Education, 73 of which were approved by the Authority's

Board in 2005. An additional 260 audits were initiated in 2005, and all audits should be completed within the next two years. The Authority's accelerated reimbursement process will help reduce the debt burden and tax rates for many cities and towns across the Commonwealth.

Project Funding Agreements (PFA) / Progress Payments

- Instituted a Progress Payment system for waitlisted projects that have started construction or will start in the near future. This system was initiated through a Project Funding Agreement. The PFA is a contract between the Authority and municipalities which establishes the state's share and project timetable.
- Progress Payments allow communities to finance only their share of project costs, saving municipalities and the MSBA millions of dollars in interest costs.



Treasurer Cahill presents the town of New Bedford with \$26 million in school building funds along with (from left) Rep. John F. Quinn, Rep. Stephen R. Canessa, Senator Mark C. Montigny and Rep. Antonio Cabral at the Normandin Middle School.



Treasurer Cahill and MSBA Executive Director Katherine Craven are joined by House Speaker Pro-Tempore Thomas M. Petrolati (far left) and Senate Minority Leader Brian P. Lees (far right) at the Paul R. Baird Middle School to present the town of Ludlow with \$5.5 million in school building funds.



Katherine P. Craven
Executive Director,
Massachusetts School Building
Authority

Katherine P. Craven was appointed Executive Director of the MSBA in November 2004. Katherine previously

served as Director of Policy for the Speaker of the House of Representatives. Prior to that, she served as deputy budget director for the House Committee on Ways and Means. Additionally, Katherine assisted in the drafting of the first comprehensive school building assistance reform, which began in 2000.

A graduate of Harvard University, Katherine resides in Brookline with her husband, Dr. James Kryzanski, and two children, Delia and Joseph.

MSBA 2005 Timeline of Accomplishments

January 11th: \$124 million for school building construction and renovation distributed to date.

March 29th: Payment of \$35.4 million presented to the city of Medford.

April 13th: An \$18 million check is presented to the town of Newburyport and a \$15 million check is presented to the town of Andover.

May 12th: Over \$525 million distributed to date in FY05 for school construction projects. Treasurer Cahill presents a payment of \$25.5 million to the town of Holliston for renovations to the Adams Middle School and Holliston High School.

May 17th: Lee becomes the first community in Massachusetts to be reimbursed 100 percent in a single payment after completing their audit ahead of schedule. A \$9.5 million payment for renovations to Lee High School is presented to local officials.

May 26th: Treasurer Cahill announces the Authority will distribute \$1.2 billion for school construction projects in FY05.

July 13th: MSBA begins marketing \$2.5 billion in bonds to accelerate payments to cities and towns that would have previously waited 10 or more years to receive their first reimbursement.

July 28th: Treasurer Cahill and MSBA Executive Director Katherine Craven are joined by mayors, local officials, and legislators to celebrate the first anniversary of SBA reform with a ceremony in the State House. "Runaway costs have been contained, taxpayer dollars have been saved, and communities across the state have continued to build the quality schools our children deserve," said Speaker of the House Salvatore F. DiMasi.

September 14th: Payment of \$12.4 million presented to the city of Leominster for the new Sky View Middle School.

November 21st: The Authority introduces the inaugural School Building Design Awards Contest. This program identifies best model elements of existing Massachusetts public school buildings, and will help structure the new school building assistance regulations.

December 9th: MSBA accelerates payments to cities and towns with completed wait list projects a year and a half earlier than anticipated. This acceleration will remove a significant financial burden from municipalities, allowing them to lower tax rates sooner than expected. Treasurer Cahill announces this acceleration during a visit to Ashland, a town that received an expedited payment for a new \$25.9 million high school.

December 13th: Payment of \$65.6 million presented to the city of Lawrence, the single largest school building check issued by the MSBA in 2005.

Job Growth Task Force



Treasurer Cahill addresses the Job Growth Task Force at a February 2005 meeting in the State House.

IN FEBRUARY 2005, Treasurer Cahill launched the Job Growth Task Force to explore how the Treasury could aid the Massachusetts economy by promoting job creation and job retention. The result was a comprehensive plan, unveiled in May 2005, that called for the Treasury and private sector entities to work together towards this important goal.

“Creating jobs and providing economic opportunity for people in Massachusetts is the responsibility of all elected officials,” Treasurer Cahill said at the inaugural February 14th press conference. “I am focused on marshalling the full resources available to me and this office so that we can add solutions to the issue of jobs in Massachusetts.”

Affordable Housing Initiatives

The lack of affordable housing in Massachusetts was determined to be a major impediment to job creation. In response, the Pension Reserves Investment Management Board utilized Economically Targeted Investments (ETIs) to increase affordable housing while returning a profit to the pension fund. These investments include:

- A \$50 million ETI for housing with Cambridge-based Access Capital Ventures
- A \$20 million ETI for housing with Canyon Johnson Ventures

The Treasury’s banking partners have also made substantial contributions. Citizens Bank has dedicated \$50 million through separate initiatives aimed at empowering potential homebuyers. In addition, Sovereign Bank and Treasurer Cahill introduced a joint program offering low-interest loans to teachers living in the districts in which they teach. Through this initiative, \$100 million in below-market mortgages will be made available to educators.

“This is a great program that promises to lower the hurdles that make home ownership unattainable for so many deserving teachers,” said Kathleen Kelley, President of the Massachusetts Federation of Teachers.

Job Creation

The Task Force recommendations called for increasing the availability of affordable loans for businesses in Massachusetts. The Treasury dedicated financial assets to encourage its banking partners to take a leading role in assisting small businesses. In 2005, these programs helped create 641 jobs and have a projected potential to create 4,143 jobs in Massachusetts.

Sovereign Bank launched its \$200 million Sovereign Job Bank Foundation Program to promote small business growth. As a result of this Treasury-leveraged plan, over \$60 million in loans were in the review stage or had been granted through December 2005, creating 280 jobs in the state and a prospective total of 630 jobs.

“There are many small and growing companies in Massachusetts without access to capital, and therefore without opportunities to grow, add jobs, and put more people to work,” Treasurer Cahill said. “The Job Foundation Loan Program provides the resources necessary to help businesses become more competitive.”

TD Banknorth announced a \$75 million Business Expansion Loan Program, which targets companies with capital needs of less than \$500,000. This has resulted in \$23 million in small business and commercial loans that will create 214 prospective jobs.

Citizens Bank created a \$25 million Urban Renewal Loan Program as part of its \$75 million commitment. The initiative uses state deposits and has developed three loan programs which support home ownership, small businesses and immigrant communities.

Devens-based technological firm Xinetics was among the many beneficiaries of these programs. The company secured a \$2.5 million loan from Sovereign Bank that will create up to 40 new jobs in the next two to three years.

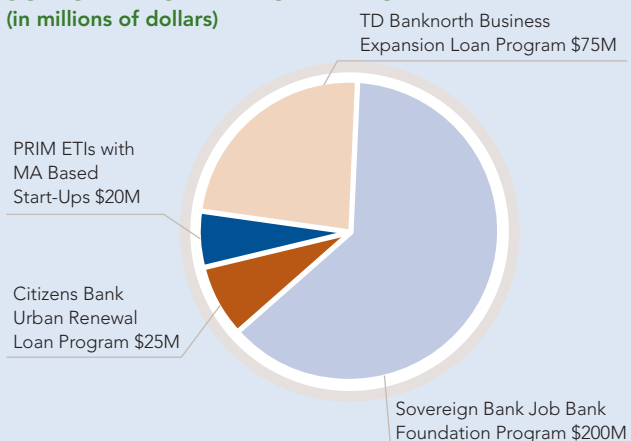
“When we started our business in 1993 with two employees, we could never have envisioned our growth to 80 employees today — and soon to be more than 100 with the help of this financing,” said Xinetics President Mark Ealey.

Members of the Job Growth Task Force

- Joe Campanelli, CEO of Sovereign Bank New England
- Anne Finucane, Global Marketing and Corporate Affairs Executive for Bank of America
- Jim Davis, CEO of New Balance Athletic Shoe
- John Fish, President and CEO of Suffolk Construction
- Peter Forman, President and CEO of the South Shore Chamber of Commerce
- Richard M. Freeland, President of Northeastern University
- Paul Guzzi, President and CEO of the Greater Boston Chamber of Commerce
- Thomas J. May, Chairman and CEO of NSTAR
- Ted Scontras, Executive Vice President for Banknorth
- Robert Smyth, President and CEO of Citizens Bank of Massachusetts
- Ellen Zane, President and CEO of Tufts-New England Medical Center

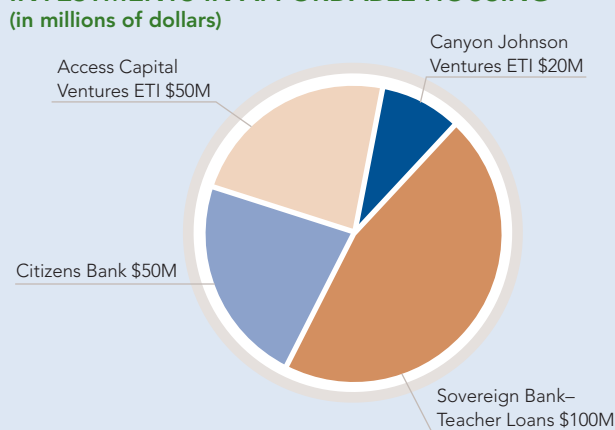
JOB CREATION INVESTMENTS

(in millions of dollars)



INVESTMENTS IN AFFORDABLE HOUSING

(in millions of dollars)



MASSACHUSETTS STATE LOTTERY

Summary

In 1971, the Legislature established the **MASSACHUSETTS STATE LOTTERY** to provide revenue for the Commonwealth's 351 cities and towns. In creating the Lottery, the Legislature also established a five-member commission chaired by the Treasurer and Receiver General to provide final approval of the types, prices, and prize structure of games; methods of prize payment; and agent licensing.

2005 ACCOMPLISHMENTS AND INITIATIVES:

Local Aid and Sales

- Returned a record level of local aid to the Commonwealth. For FY05, \$936 million was returned – the largest amount in the Lottery's 33-year history.
- FY05 sales were \$4.48 billion, exceeding the previous record of \$4.38 billion set in FY04. Instant ticket sales accounted for \$3.13 billion of total sales in FY05.
- Mega Millions sales increased to \$97 million in FY05 from \$95 million in FY04. Cash WinFall, introduced in September 2004, contributed \$41.8 million in sales for FY05 after being on the market for less than ten months.
- Other online games posted strong sales in FY05. Keno turned in \$742 million in sales, while the Numbers game saw sales of \$352 million. Mass Cash and Megabucks followed with \$43.8 million and \$44.5 million, respectively.

Instant Replay Recycling Program

- Received the "Best Institutional Recycling" award from MassRecycle for the instant ticket recycling program "Instant Replay." The program allows 25 non-winning tickets to be redeemed for a free \$1 instant ticket.

Compulsive Gambling Donations

- To raise greater awareness of problem gambling and the resources available for help, Treasurer Cahill committed \$100,000 from the Lottery FY05 advertising budget to the Massachusetts Council on Compulsive Gambling. The Lottery also donated 1,000 radio spots in all major media markets, as well as one million online ads.



Treasurer Cahill inspects lottery equipment with storeowner Imran Alvi at the News Shop in Winchester.



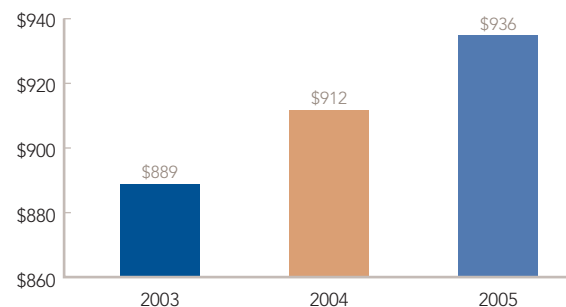
Joseph C. Sullivan
Executive Director,
Massachusetts State Lottery

Joseph C. Sullivan was appointed Executive Director in February 2003, making him the eighth director in the Lottery's 31-year history.

Before his appointment, he spent 11 years as a State Representative and six years as an executive member of the Braintree Board of Selectman.

A graduate of the University of Massachusetts at Amherst, Joe holds a Masters degree in public administration from Harvard's Kennedy School of Government. Joe resides in Braintree with his family.

LOTTERY LOCAL AID REVENUE (in millions of dollars)



Lottery Sponsors World Series Trophy Tour



Treasurer Cahill kicks off the Boston Red Sox World Series Trophy Tour at a Fenway Park press event with Lottery Executive Director Joe Sullivan (left) and Red Sox President and CEO Larry Lucchino (right).

AFTER 86 LONG AND FRUSTRATING SEASONS of near misses and heartbreaking losses, the Boston Red Sox finally defeated “the Curse of the Bambino” in October 2004 and captured the World Series Championship.

After witnessing the remarkable reaction of “Red Sox Nation,” team President and CEO Larry Lucchino pledged to take the World Series Trophy to each of the 351 cities and towns in Massachusetts.

Since the Lottery’s primary mission is to raise revenue for municipalities, the Red Sox recognized the Lottery as a natural sponsor of a statewide tour. The Lottery agreed and signed on to sponsor the Trophy Tour.

In January 2005, Lucchino and Treasurer Cahill announced the historic Trophy Tour partnership at a Fenway Park press conference.

“As we now turn our focus to sharing the Trophy with communities across Massachusetts, the Lottery is a fitting partner as an institution that does so much good across the state,” Lucchino said at the press conference. “Their support will enable us to make our pledge to Massachusetts a reality.”

Over 1,000 requests were received from local officials, schools, little league organizations, non-profit groups, retailers and many others who wanted to host the Trophy during its journey across the state.

The tour officially began on January 14th with visits to Duxbury, Kingston, Marshfield and Plymouth. Over the next seven months the Trophy traveled throughout the Commonwealth, allowing fans to celebrate the Red Sox championship in their hometowns. On June 24th, the Trophy made its way to the island of Gosnold – the smallest town in Massachusetts and the final stop on the unprecedented Trophy Tour.

“Like the Red Sox, the Massachusetts State Lottery is synonymous with success,” Treasurer Cahill said. “The more successful the Lottery is, the more money that can be returned to cities and towns across Massachusetts. We feel it made perfect sense for us to hit the road with the Red Sox for their World Series Trophy Tour.”

Living Organ Donor Bill Signed into Law

Organ Donation Statistics

More than 97,000 people are on organ transplant waiting lists nationwide, with almost 69,000 of those waiting for a kidney transplant. Of the over 13,300 organs donated in the United States in 2005, almost half were provided by living donors.

In Massachusetts, that percentage is even higher. In 2005, 60 percent of organ donations came from living organ donors, while 63 percent of organ donations came from living donors in 2004.

ON SEPTEMBER 29, 2005, Treasurer Cahill celebrated the passage of new legislation: "An Act Relative to Living Organ Donation."

The law, cosponsored by Public Health Committee Chairman Peter Koutoujian, grants a 30-day leave of absence without loss of or reduction in pay, credit for time of service, or entitled leave time to any state employee who serves as a donor.

"Through this legislation, we offer increased support and encouragement for our employees to become living organ donors," said Treasurer Cahill. "I believe that by taking away the potential obstacles of reduction in pay or loss of leave time, more citizens will choose to become organ donors."

In conjunction with the passage of this legislation, the Massachusetts State Lottery partnered with the Boston Red Sox, Beth Israel Deaconess Medical Center, and the New England Organ Bank for Organ Donor Awareness Night at Fenway Park.

While playing for the San Francisco Giants, Red Sox catcher Doug Mirabelli and former Sox third baseman Bill Mueller saw the life of Lori Gardner, the wife of teammate Mark Gardner, extended thanks to a liver transplant. Inspired by their personal experiences, Mueller and Mirabelli initiated the first Organ Donor Awareness Night at Fenway Park in 2004.

After Mirabelli and Treasurer Cahill visited with transplant patients at BIDMC earlier in the afternoon, they were joined by Mueller and Jonathan Critchlow, M.D., chair of the BIDMC, in a pre-game ceremony that encouraged fans to be organ and tissue donors.



Treasurer Cahill joins Red Sox players Doug Mirabelli and Bill Mueller at Fenway Park for a pre-game ceremony observing Organ Donor Awareness Night.



Governor Mitt Romney signs the Organ Donor Bill into law with Treasurer Cahill and Representative Peter Koutoujian, the primary champions of the legislation.

ALCOHOLIC BEVERAGES CONTROL COMMISSION

Summary

THE ALCOHOLIC BEVERAGES CONTROL COMMISSION (ABCC) is the sole agency authorized with general supervision of over 22,000 alcoholic beverage licenses in the Commonwealth. The Commission conducts violation and appeal hearings throughout the year, and oversees related issues requiring legislative action.

2005 ACCOMPLISHMENTS AND INITIATIVES:

Licensing Fee Collection

- \$3.6 million was generated in 2005 from license fees and fines and was deposited into the Commonwealth's General Fund. Since the ABCC was transferred to the Treasury in 2003, its revenue has increased by almost 50 percent.
- Enforced the collection of back taxes owed by delinquent licensees in collaboration with the Department of Revenue. In 2005, revenue collected totaled \$2.8 million.

Education

- Conducted 12 educational seminars in 11 communities in 2005 to educate license holders and local licensing authorities on recent changes in the beverage alcohol laws and regulations.
- Collaborated with Fitchburg State College, UMass Lowell, and UMass Amherst in their prevention programs to combat underage drinking.

Enforcement

- In 2005, investigations were conducted in approximately 250 cities and towns:
 - Over 470 complaints filed were investigated and closed
 - Over 1300 Operating Under the Influence reports were investigated and closed
 - Over 208 violation reports were submitted
 - 2900 license applications were investigated and closed

Operation Safe Prom & Graduation

- Prevents the procurement of alcohol by and for underage individuals during the school prom and graduation season. In 2005, investigators cited 630 individuals for alcohol-related violations.

Operation Safe Campus

- Prevents underage individuals from obtaining alcohol in college communities. In 2005, 377 individuals were cited by investigators.

Operation Safe Holidays

- Keeps drunk drivers off the road during the holiday season. The "Last Call" operation targets establishments with a history of serving to intoxicated individuals and bars identified as serving alcohol to convicted drunk drivers. The "Cops in Shops" program monitors establishments to prevent sales to minors. In 2005, the programs cited 196 individuals or proprietors for violations.

ABCC Award from MADD

In recognition of its initiatives to prevent underage drinking in Massachusetts, the Alcoholic Beverages Control Commission received the 2005 Mothers Against Drunk Driving Presidents Award in October.

Chief Investigator Frederick Mahony accepted the award on behalf of the ABCC at MADD's national conference in Washington, and credited the agency's success to its transfer to the Massachusetts State Treasury in the fall of 2003.



Eddie Jenkins, Esq.
Chairman, Alcoholic Beverages Control Commission

Eddie Jenkins was appointed Chairman of the ABCC in November 2003. Prior to joining the Treasury, he was a managing partner in a private law practice for 16 years. A former candidate for Suffolk County District Attorney and Boston City Council, he has been involved in politics and community activism for the past 25 years.

Eddie has been an adjunct professor at Suffolk Law School since 1996. He graduated from the College of the Holy Cross and earned a degree from Suffolk Law School. Eddie resides in Jamaica Plain.



The Job Growth Task Force



Treasurer Cahill and the Greater Boston Chamber of Commerce's Paul Guzzi



Treasurer Cahill visits Lottery agents in Lawrence



MSBA Check Presentation in Andover



MSBA Check Presentation at Newburyport High School



Larry Lucchino and Treasurer Cahill with the 2004 World Series Trophy

DEBT MANAGEMENT DEPARTMENT

Summary

THE DEBT MANAGEMENT DEPARTMENT is responsible for structuring, issuing and paying most short-term and long-term debt issued by the Commonwealth. The issuance of long-term debt, or bonds, is necessary to generate monies to fund the state's capital spending program, which totals about \$1.25 billion annually. The Department also issues short-term debt to support the state's operating budget and cash flow requirements.

In 2005, the Department issued \$3.1 billion in long-term debt, of which approximately \$1.8 million represented funding for capital projects. The Department also refunded over \$1.3 billion in bonds, generating \$161.4 million in cash flow debt service savings, the equivalent of \$90.9 million on a present value basis.



Patrick Landers
Assistant Treasurer, Debt
Management

Patrick Landers has served as Assistant Treasurer for Debt Management for the past seven years. In this capacity, Patrick is responsible for managing

the issuance of Commonwealth debt. Prior to joining the Treasury, Patrick was a State Representative for 13 years and served as the Vice-Chairman of the Committee on Taxation.

Patrick holds a degree in general business and finance from the University of Massachusetts at Amherst, and a Masters in Finance from Suffolk University. He resides in Palmer with his wife Elisa and their daughters Ariel and Eva.



Scott Jordan
Executive Director,
Massachusetts Water
Pollution Abatement Trust

Scott Jordan serves as MWPAT Executive Director. Prior to joining the Trust in August 2004, he served as

designee to the MWPAT Board of Trustees. He has also worked as Debt Finance Director in the Executive Office for Administration and Finance and Deputy Director of the Office of Tax Policy Analysis.

Scott holds a Masters degree in public administration from Harvard's Kennedy School of Government and a Bachelors from the University of Massachusetts at Amherst. Scott resides in Amesbury with his wife, Rebecca, and their three children.

MASSACHUSETTS WATER POLLUTION ABATEMENT TRUST

Summary

THE MASSACHUSETTS WATER POLLUTION ABATEMENT TRUST funds the Commonwealth's efforts to reduce water pollution and provide clean drinking water to all residents. Trust programs serve over 97 percent of Massachusetts residents. Since the Trust was created in 1989, it has provided \$3.2 billion in loans for water and wastewater infrastructure. The Trust is the 3rd largest program of its kind in the U.S.

In 2005, the Trust funded 97 loans to governmental and local entities through \$304.1 million in bonds. In addition, Trust staff worked to increase community awareness by attending conferences held by the Massachusetts Treasurers and Collectors Association, the Massachusetts Clean Water Council and the Department of Environmental Protection.

ABANDONED PROPERTY DIVISION

Summary

THE ABANDONED PROPERTY DIVISION protects the unclaimed assets belonging to the citizens of the Commonwealth. Under state Abandoned Property laws, most financial assets that have been inactive for three years are reported to the Division. Twice a year, new names of property owners are added to the database of previously unclaimed accounts and are listed in newspapers across the state.

2005 ACCOMPLISHMENTS AND INITIATIVES:

Property Collected

- Collected \$214 million, marking the first time in the state's history with collections of over \$200 million for three consecutive years. During that period, the Treasury has received \$671 million in abandoned property.

Property Returned

- Paid cash claims of over \$111 million over the past three fiscal years, representing a 17 percent increase in cash returned. The Division also reunited owners with over 2.2 million shares of stock and over 832,000 mutual fund shares during that time.

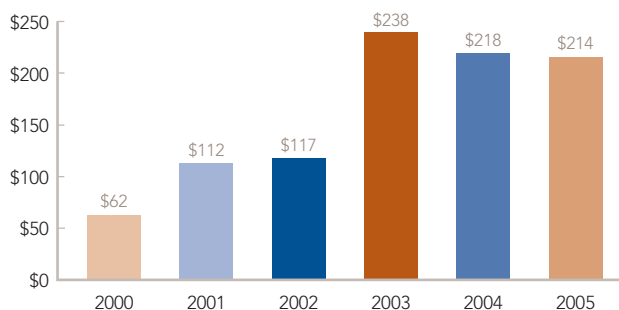
Outreach Program

- The Division's Outreach Program travels to fairs, assisted living facilities, malls and city/town halls in Massachusetts. Since 2003, outreach events have returned a total of \$1.1 million to 2,736 owners. The average amount found was almost \$400 per person.

FindMassMoney.com

- Citizens can now use the Internet to search the Abandoned Property database, apply to claim property, and monitor the status of submitted claims. Since FY04, the Division has paid 21,476 claims initiated via this Web site.
- By increasing consumer awareness, claims via the site increased 45 percent in the past year, allowing total claims paid via the Web to exceed \$11.2 million. There are now over 4.3 million accounts accessible on the site with a value of over \$1 billion.

ABANDONED PROPERTY COLLECTED (in millions of dollars)



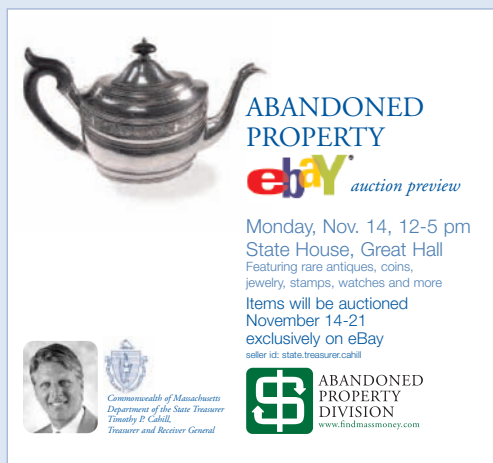
Mark J. Cavanagh
Deputy Treasurer and Director,
Abandoned Property Division

Mark J. Cavanagh serves as Deputy Treasurer and Director of the Abandoned Property Division. Mark was previously Vice-President of Affiliated

Computer Services and was responsible for field audits performed by Boston's ACS Unclaimed Property Clearinghouse. He also was affiliated with State Street Bank's Unclaimed Property Services Division.

Mark served the Commonwealth as Deputy Treasurer and Director of Abandoned Property from 1978 to 1991. A graduate of Bentley College with a degree in accounting, Mark holds a Masters in business administration from Babson College. He currently resides in Peabody.

EBAY Abandoned Property Auction



IN NOVEMBER 2005 the Treasury held the state's first online auction of Abandoned Property in conjunction with eBay Inc. The Commonwealth's collaboration with eBay was aimed at generating increased revenue for Massachusetts by reaching a larger number of bidders.

A wide variety of unclaimed items were featured, including a platinum bar, rare coins, rings, gemstones and watches. The items were viewed over 150,000 times and a total of 4,406 bids were placed. Massachusetts residents represented two-thirds of the winning bidders.

The 49-ounce platinum bar was viewed the most – over 7,000 times – and ultimately sold for over \$45,000, the highest price paid for a single item in the auction. The bar was purchased by Coins 'n Things, a family-owned precious metals company in Bridgewater.

In total, the auction lasted three weeks and made a total of 200 lots available, with 25 lots put up for bid every two days. The eBay auction proved a resounding success and the items sold returned over \$140,000 to the Commonwealth's General Fund. In addition, eBay users gave the auction a 100 percent approval rating.

The auction produced an average earning of \$704 per lot, which far exceeded the average of \$325 per lot that the state's most recent traditional abandoned property auction yielded in 2002.

This event also helped return several items to their proper heirs. During the appraisal prior to the auction, claims were placed on an 18th century teapot crafted in London and a silver tankard made by colonial silversmith Andrew Tyler that was allegedly saved from a burning building during the Battle of Bunker Hill. Both items are in the process of being returned to their rightful owners.

Treasurer Cahill Files Suit Against Rebate Corporation

In November 2005, Treasurer Cahill filed a lawsuit against Young America Corporation in an effort to return millions of dollars to Massachusetts residents. The suit petitions the Massachusetts Superior Court to direct Young America to open its records pertaining to uncashed rebate checks for examination by auditors.

"This is one of the worst consumer abuses I've ever seen," said Treasurer Cahill. "Not only is the consumer virtually unable to obtain promised rebates, but Young America, which should be processing those rebates, is keeping uncashed checks as its own property."

Young America, a Minnesota-based company, is the country's largest rebate fulfillment house. It is

believed that Young America is holding assets reportable to Massachusetts in violation of state abandoned property laws. Massachusetts' law requires the proceeds of uncashed rebate checks be reported to the Abandoned Property Division after three years.

According to Security and Exchange Commission filings, Young America pocketed almost \$43 million in uncashed rebates as its own income between 1995 and 2002. Court records confirm Young America has returned almost \$86 million in uncashed checks to corporate clients.

"This suit will help put an end to these abuses and return money to its rightful owners in Massachusetts," Treasurer Cahill said.

DEFERRED COMPENSATION PLAN

Summary

The \$3.8 billion **DEFERRED COMPENSATION PLAN** was established in 1976 as a public employee benefit program. The Plan has approximately 90,000 full-time participants, 165,000 part-time participants and 604 non-state entities. The Deferred Compensation Plan:

- Helps Massachusetts public employees save and invest for retirement.
- Educates employees about how to invest for the long-term.
- Offers a broad array of quality investment options.
- Communicates clearly with participants regarding the administration of the Plan.
- Minimizes administrative and investment costs to participants.

2005 ACCOMPLISHMENTS AND INITIATIVES:

Fund Changes

- Improved investment options by changing two funds and adding an additional investment option.
 - The Eaton Vance Large Cap Value Fund replaced the Active Large Cap Value Stock Portfolio
 - The State Street Global Advisors Passive Bond Market Index Fund replaced the BGI U.S. Debt Index Fund
 - The T. Rowe Price Structured Research Fund was added to the Plan

Investment Consultant

- Cliffwater LLC was selected to serve as the Plan's new investment consultant. Cliffwater will perform important functions such as investment manager oversight, performance analysis, and general research.

Participant Education

- Educated participants on how to better prepare for retirement and provided them with the tools to make wise investment decisions. Group sessions were conducted across the Commonwealth, as well as one-on-one meetings with advisors.

Deferred Compensation Participation in 2005

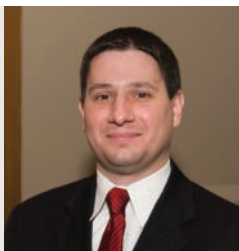
Participants Increasing Contributions:
16,920

New Plan Enrollments:
4,271

Asset Allocation Session Attendees:
2,387

Group Informational Session Attendees:
2,380

Retirement Counseling Session Attendees:
1,180



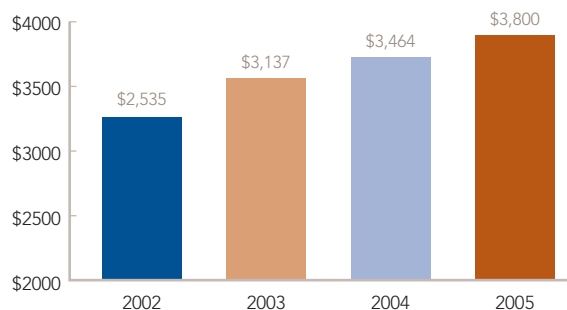
John F. LaCara
Director, Deferred Compensation Plan

John F. LaCara serves as the Director of the Massachusetts Employees Deferred Compensation Plan. He is responsible for managing all

aspects of the Plan, including oversight of investment managers and third party administrator.

Prior to joining the Treasury in 2003, John worked as a trader for brokerage affiliates of Fidelity Investments and New England Financial, and as a manager for Citizens Bank. John received his Bachelors degree from Lesley University and his Masters in investment management from Boston University's School of Management.

SMART PLAN ASSETS (in millions of dollars)



CASH MANAGEMENT DIVISION

THE CASH MANAGEMENT DIVISION is responsible for managing the Commonwealth's daily cash flows, which total over \$38 billion annually. Responsibilities include quarterly local aid payments to municipalities, management of \$5 billion short-term investment pool for the Commonwealth's working capital and the regular reconciliation of state agency bank accounts.

Summary

2005 ACCOMPLISHMENTS AND INITIATIVES:

Unpaid Check Fund

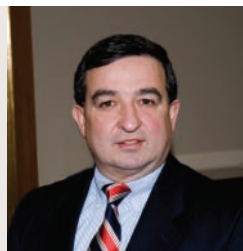
- Through the Unpaid Check Fund, returned over \$4.7 million to the lawful owners of checks issued by the Commonwealth but never cashed.

MSBA

- Assisted the Massachusetts School Building Authority with assessing banking needs.
- Supported the MSBA by providing the accounts payable function for most of 2005, including assisting with payments to school districts.

BidMass

- Managed the quarterly BidMass online auctions, which allow banks to competitively bid for state deposits and expands the Commonwealth's investment options. Four auctions in 2005 resulted in \$300 million deposited in banks across Massachusetts.
- Announced additional incentives to enable eligible banks to bid for more deposits beginning with the September 2005 auction. New criteria include providing small business loans, awarding outside contracts to qualified businesses owned by minorities and women, and increases over the prior fiscal year in charitable giving.



James A. MacDonald
Assistant Treasurer,
Cash Management

James A. MacDonald serves as the Assistant Treasurer for Cash Management. Jim has been with the Treasury for his entire 31-year career, and for

the last two years has served as Director of Cash Management Operations.

Jim is currently serving his fourth term on the Dedham Board of Selectmen, and is a former chairman of the town's Finance Committee. He is also active in numerous community endeavors, including volunteer work with special needs athletic programs. Jim resides in Dedham with his wife Paula and two sons, James and Stephen.

Massachusetts Municipal Depository Trust (MMDT)

- Completed a successful RFR for investment management services of the MMDT, resulting in lower costs to participants and expanded services. The MMDT will launch a new, intermediate-term bond fund in 2006 to provide an alternative investment for trust funds and other long-term deposits providing higher returns to cities and towns in the Commonwealth.

Asian American Bank Awarded State Deposits



Treasurer Cahill presents Asian American Bank President and CEO Raymond Tung with a \$1 million check, representing the bank's winning online bids for state deposits.

On June 14, 2005, Treasurer Cahill presented a check for \$1 million to Asian American Bank & Trust Co. from the Commonwealth's second online auction for state deposits in 2005. The check was presented to Raymond Tung, President & CEO of Asian American Bank.

"Asian American Bank is proud to be participating in Treasurer Cahill's innovative approach in placing the Commonwealth's deposits," Tung said. "These deposits will continuously be put into productive use to benefit the economic growth of the minority communities throughout Massachusetts."

Asian American Bank was founded in 1993 and provides commercial and consumer services to small businesses, the Asian American community and the general public.

STATE BOARD OF RETIREMENT

Summary

THE STATE BOARD OF RETIREMENT is responsible to the approximately 85,000 active members, more than 51,000 retirees or beneficiaries, and another 45,000 members who have funds on account. The Board's primary mission is to maintain the successful administration of pension and related benefits to its active and retired members.

2005 ACCOMPLISHMENTS AND INITIATIVES:

Financial Status

- As of November 30, 2005, the State Employees' Retirement System's net asset value amounted to over \$17.5 billion, up approximately \$2 billion from 2004.
- Attained a funded ratio of 82.8 percent. The funded ratio represents the percentage of the pension liability that is not outstanding. This represents a substantial improvement for the system over the past decade. In 1993, the system was only 54.4 percent funded.
- Issued net benefit payments and annuity payments to retirees and survivors totaling almost \$1.1 billion.

Board Operations

- Retirement Counselors and staff carried out more than 70 group presentations and seminars across the Commonwealth during 2005. The Counselors conducted more than 1,500 individual in-person counseling sessions in the Board's Boston office.
- Administered and issued more than \$65.5 million in Cost of Living Adjustments last year that was reimbursed to local retirement boards and municipalities.

Benefit Verification

- Continued the implementation of program to verify benefits paid to retirees and beneficiaries. Through 2005, Board staff have identified and recovered more than \$400,000 in excess benefits, and have resolved additional cases in dispute.

Board Election

- Ralph White, President of the Retired State, County and Municipal Employees Association of Massachusetts, was reelected to a three-year term on the Board. Mr. White's new term began in January 2005.
- Christopher Condon, Legislative Director for the Service Employees International Union Local 509, was re-appointed to a second term.

Active Member Electronic Newsletter

- Initiated an electronic newsletter to active members of the Retirement System in the fall of 2005. The newsletter includes updates for active members, legislative changes that impact benefits, and investment information pertaining to the Commonwealth.

Retirement Board Members

Treasurer Timothy P. Cahill
Chairman

Christopher Condon
Chosen Member

Peter Koutoujian, Sr.
Appointed Member

Theresa McGoldrick, Esq.
Elected Member

Ralph White
Elected Member



Nicola Favorito, Esq.
Executive Director,
Massachusetts State Board
of Retirement

Nicola Favorito has served as Executive Director of the State Board of Retirement since February 2003. Nick is also Treasurer Cahill's designee to the Massachusetts Teachers' Retirement Board and is a member of the National Association of State Retirement Administrators.

Previously, Nick specialized in public employee retirement law, education law and municipal law. He has appeared before the Division of Administrative Law Appeals, the Contributory Retirement Appeals Board, state trial and appellate courts, and U.S. federal courts. Nick is a graduate of Harvard University and Suffolk University Law School.

FINANCIAL EDUCATION

THE TREASURY'S FINANCIAL EDUCATION DEPARTMENT seeks to promote fiscal literacy to the citizens of Massachusetts, particularly to underserved groups such as women, children and minorities. The collaborative nature of these programs is a strong example of effective partnerships between the public sector and business entities.

THE MONEY CONFERENCE
A PROJECT OF STATE TREASURER TIMOTHY P. CAHILL

Saving Makes Cents
A PROJECT OF STATE TREASURER TIMOTHY P. CAHILL

Summary

2005 ACCOMPLISHMENTS AND INITIATIVES:

Money Conferences

The Money Conference for Women and the Money Conference for Families are free educational events that focus on money management, and investment strategies. These events include a dynamic presentation by financial expert Dee Lee and individualized break-out sessions.

In 2005, Treasurer Cahill held regional Money Conferences in Framingham, Springfield, Cape Cod and Boston. A bilingual conference was held in Chelsea to better serve the Spanish-speaking community. Each conference offered break-out sessions on topics such as investing, reducing debt, retirement planning and long term care insurance.



Soccer star and Olympic Gold Medalist Angela Hucles (second from right) and Financial Education Director Cynthia Gibbons are joined by (from left) Sovereign employees Guerline Dupervil, Sinchona Fields and Cheryl John at a Savings Makes "Cents" presentation in Mattapan.



Trajen Archie, a 4th grade student at Our Lady of Sacred Heart in Springfield, is presented with a citation from Treasurer Cahill for winning a Savings Makes "Cents" regional essay contest.

Savings Makes "Cents"

Saving Makes "Cents" is a school-banking program developed to teach money management to elementary school children. This joint effort between schools and local banks helps develop solid life planning skills through hands-on learning.

The Treasury provides participating schools with an educational supplement for use in the classroom. Bank representatives assists students in opening up savings accounts as a hands-on way for children to learn the importance of good saving habits.

Saving Makes "Cents" has been implemented in over 400 schools statewide. In 2005, the Treasury held 63 school-banking events and presented \$1,950 in U.S. Savings Bonds to winners of the program's 2005 statewide essay contest.



Cynthia Gibbons
Director, Financial Education
Department

Cynthia Gibbons serves as the Treasury's Director of Financial Education. Prior to joining the Treasury in the fall of 2005, Cynthia worked in the financial industry as a marketing officer in mutual funds and corporate trusts.

Cynthia received her undergraduate degree from the University of Massachusetts at Amherst and is pursuing her Masters at Simmons College in Communications Management. She currently resides on the South Shore.

INTERNAL DEPARTMENTS

Legal

The Legal Department acts as in-house counsel to the Treasurer and all Treasury departments. This encompasses providing legal advice, management of legal affairs, contract negotiation, conducting human resources training, and working with outside counsel.



Grace H. Lee, Esq.
Deputy Treasurer and General Counsel

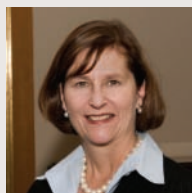
Grace H. Lee serves as Deputy Treasurer and General Counsel. Prior to joining the administration in early 2003, Grace worked as an associate at Morgan, Brown & Joy, LLP; as a staff attorney with the U.S. Department of Education; and in the Civil Rights Division of the Norfolk County District Attorney's Office. In

2004, Grace was named one of the National Asian Pacific American Bar Association's "Best Lawyers Under 40."

Grace graduated from California State University at Northridge and New England School of Law. She resides in Brookline with her husband and son.

Human Resources

Human Resources works to ensure a professional and business-like Treasury, high morale and employee retention. The department recently implemented a four-part training program for supervisors that provides instruction on coaching employees, developing job descriptions and preparing evaluations.



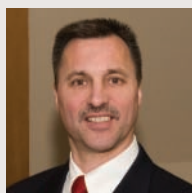
Eileen Glovsky
Deputy Treasurer and Director, Human Resources

Eileen Glovsky is Deputy Treasurer for Human Resources. She has also served the Treasury as Director of both the Deferred Compensation and Financial Education departments. Previously, Eileen spent over 20 years in private industry, primarily in accounting and information technology.

A member of the Lincoln Sudbury School Committee, Eileen has a Bachelors degree from San Francisco State and a Masters degree from MIT's Sloan School. She resides in Sudbury with her husband and two sons.

Administration and Finance

Administration and Finance oversees the fiscal and administrative activities of the Treasury. It ensures the Treasury's financial stability by managing budget procedures, operating trusts and capital budgets. The Department provides other departments with centralized expertise and technical support.



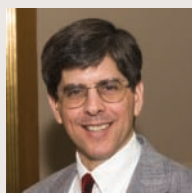
Alfred J. Grazioso, Jr.
Assistant Treasurer, Administration and Finance

Alfred J. Grazioso, Jr. serves as Assistant Treasurer of Administration and Finance. Prior to joining the Treasury in early 2003, Al worked as Quincy's Chief Procurement Officer, was the owner of Grazioso's Deli Shoppe, and Vice President of Kendall Furniture Company.

Al has served as a coach and President of the Quincy Youth Hockey Association, is affiliated with many state and nationwide organizations, and was appointed to the Mayor's Task force on Crime and Vandalism. Al and his wife Catherine have three children.

Computer Services

Computer Services supplies Information Technology support to the Treasury. In this capacity, Computer Services is a critical component to the proper functioning of the Treasury and state government. The Department provides the IT infrastructure that facilitates the Treasury's multifaceted business dealings.



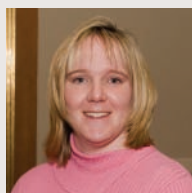
Peter L. Navarro
Assistant Treasurer, Information Technology

Peter L. Navarro serves as the Assistant Treasurer of Information Technology and has been with the Treasury since 1988. Under Treasurer Cahill, Information Technology became an independent Treasury department and Peter was named the Division's first director in 2003.

Peter received his degree in Computer Science from the University of Massachusetts at Boston and also studied audio recording and guitar at Berklee College of Music. Peter resides in Ashland with his wife Nuria and their three children.

Internal Audit

The Treasury's Internal Auditor independently evaluates the adequacy of the Treasury's internal controls. The Internal Auditor reports recommendations to the Treasurer and members of the senior staff.



Denise Hebert, CPA
Internal Auditor

Denise Hebert serves as the Treasury's Internal Auditor. Prior to joining the Treasury in the summer of 2004, Denise performed a wide range of accounting, auditing and finance functions for PricewaterhouseCoopers LLP, Commerce Insurance Company and BearingPoint Inc.

Denise graduated from Boston Latin School and summa cum laude from Bentley College with a degree in accounting. She lives in Rhode Island with her husband Michael and their two children, Emily and Michael, Jr.

EXECUTIVE STAFF



Neil Morrison, Esq.
First Deputy Treasurer and Chief of Staff

First Deputy Treasurer and Chief of Staff Neil Morrison is the primary advisor to Treasurer Cahill on all policy, political, and operational matters. Neil directly supervises the Executive Office, Lottery, PRIM Board and ABCC, and oversees all Treasury departments.

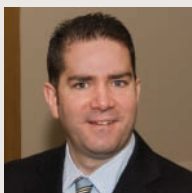
Neil has been with Treasurer Cahill since day one, initially serving as Assistant Treasurer of Human Resources. Previously, Neil served on the Taunton City Council and as the city's Director of Personnel. A graduate of Boston College and Suffolk University Law School, Neil resides in Taunton with his wife Paula.



Scott Campbell
Deputy Treasurer and Director of Operations

Scott Campbell serves as Deputy Treasurer and Treasury Director of Operations. In this capacity, Scott oversees the Financial Education Department, Computer Services and the Massachusetts School Building Authority.

Scott has worked with Treasurer Cahill since 2001, serving as his Campaign Director during the 2002 election cycle and joining the Treasurer's administration in 2003. Scott previously worked in the consulting field and is currently continuing his education at the University of Massachusetts. A life-long resident of Quincy, Scott lives with his wife Julie and their daughter Caroline.



Michael Morris
Director of Governmental Affairs

Michael Morris serves as the Treasury's Director of Governmental Affairs. In this capacity, Mike acts as liaison to all state and municipal political officials. He is also responsible for overseeing Treasury policy initiatives and legislation submitted by the General Court.

Prior to joining the Treasury, Mike most recently worked at the Norfolk County Sheriffs Office as Assistant Deputy Superintendent of Administration and Finance. A graduate of Fitchburg State with a degree in Criminal Justice, Mike earned a Masters in Public Administration from Suffolk University. Mike resides in Quincy with his wife Katie Jo.



Alison Mitchell, Esq.
Director of Communications

Alison Mitchell currently serves as the Treasury's Director of Communications. She previously served with the Treasurer's administration as Senior Policy Counsel. Prior to joining the Treasury in 2004, she practiced law at a non-profit law firm in Boston and worked as a political consultant.

Alison is a graduate of Connecticut College and Northeastern University School of Law. She resides in Somerville with her husband Andrew Upton.



Treasurer Cahill and his Executive Staff

**Office of the State Treasurer**

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Abandoned Property

One Ashburton Place, 12th Floor
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**Alcoholic Beverages
Control Commission**

239 Causeway Street
Boston, MA 02114
(617) 727-3040

Cash Management

One Ashburton Place, 12th Floor
Boston, MA 02108
(617) 367-3900 ext. 591

Debt Management

One Ashburton Place, 12th Floor
Boston, MA 02108
(617) 367-3900 ext. 203

Lottery

60 Columbian Street
Braintree, MA 02184
(781) 849-5555

**Massachusetts School
Building Authority**

3 Center Plaza, Suite 430
Boston, MA 02108
(617) 720-4466

**Massachusetts Water Pollution
Abatement Trust**

One Ashburton Place, 12th Floor
Boston, MA 02108
(617) 367-3900 ext. 409

Media Requests

(617) 367-6900

PRIM Board

84 State Street, #250
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State Retirement Board

One Ashburton Place, 12th Floor
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(In Massachusetts Only)